

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Report on Meeting of the Iowa College Student Aid Commission
Date: October 9, 2000

Recommended Action:

Receive the report.

Executive Summary:

The Iowa College Student Aid Commission (ICSAC) met on September 19 in Des Moines. The Commission approved several proposed administrative rules, its FY 2001 Student Loan Program budget, and its budget request for FY 2002.

Background/Analysis:

ICSAC's budget requests for FY 2002 are consistent with its mission to provide access to higher education and choice among institutions for lowans with financial need as well as a state goal to provide sufficient funding for higher education:

	Estimated <u>FY 2001</u>	Proposed <u>FY 2002</u>	<u>Increase</u>
Scholarship Program	\$ 498,540	\$ 498,540	\$ 0
Tuition Grants	48,830,075	52,757,460	3,927,385
Voc-Tech Grants	2,482,400	2,982,400	500,000
Work Study	2,750,000	2,750,000	0
Iowa Grants	1,144,850	4,144,850	3,000,000
Chiropractic Forgivable Loans	100,000	100,000	0
Foster Child Grants	0	65,000	65,000
GEAR UP Matching Funds	0	337,000	337,000
National Guard Program	1,250,000	1,250,000	0
Osteopathic Forgivable Loans	254,260	379,260	125,000
Physician Recruitment	395,000	395,000	0
Teachers Shortage Loans	525,000	1,100,000	575,000
Administration	337,530	339,802	2,272
Total	\$58,567,655	\$67,099,312	\$8,531,657

The Iowa Grant Program supports approximately 1,650 low income college and university students. ICSAC is recommending the targeting of some of these resources for first-generation students. An increase in funding would provide expanded access to a vulnerable population of students who are likely to remain in Iowa.

The goal of the Iowa Tuition Grant Program is to provide a level of "parity" between students attending the Regent universities and those attending private colleges and universities. Parity is defined as the difference between the unit cost for undergraduate students attending a Regent university and Regent tuition and fee charges. The maximum grant was 75.4 percent of parity in 1990 and now is approximately 71 percent.

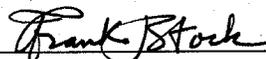
The principal budget goal of the Iowa Vocational-Technical Tuition Grant Program is to restore the value of the grant to its 1991 level, when the maximum grant provided 46.7 percent of the average community college tuition and fees. In FY 2001, the maximum grant covered approximately 30.7 percent of the average community college tuition and fees.

The Teacher Shortage Forgivable Loan Program is designed to encourage teachers to enter high demand specialties such as special education. The Iowa Department of Education issued 659 conditional licenses (the basis for shortage projections) for FY 2000. The number of conditional licenses increased to over 1,400 for FY 2001. According to ICSAC, 48 teachers who received loans of up to \$3,000 per year have stayed in Iowa to teach Reading, Math, Industrial Technology, English/Language Arts, and Special Education. An additional 123 participants are expected to take shortage area teaching assignments in the next 12 to 18 months.

The goal of the Accelerated Career Education Program is to encourage Iowans to study for occupations that support the new state economy. The program provides up to \$2,000 for students studying in designated areas. The current level of funding (\$250,000) is expected to assist 125 students. ICSAC staff indicate that community colleges are expected to eventually enroll almost 4,000 students in ACE programs, with approximately one-third (1,333) needing assistance.

The Commission funded the pilot grant program for foster children to encourage those who have received foster care to continue their education at Iowa colleges and universities. ICSAC recommends a state appropriation of \$65,000 to support next year's cohort of students and to hire a counselor to work closely with GEAR UP students. The Commission has applied for a federal GEAR UP grant to provide early awareness and college scholarship assistance to foster children who live in residential treatment centers in Polk and Jasper Counties. The proposed program will provide a broad range of counseling, academic support and scholarship assistance.

Five new programs have been assigned to the Commission since FY 1998. The national Guard Tuition Assistance Program and the Chiropractic Forgivable Loan Program were added in FY 1998. The forgivable loan program for teachers and responsibility for the State Fair Scholarship were added in FY 1999. The Accelerated Career Education Grant Program was added in FY 2001.



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